

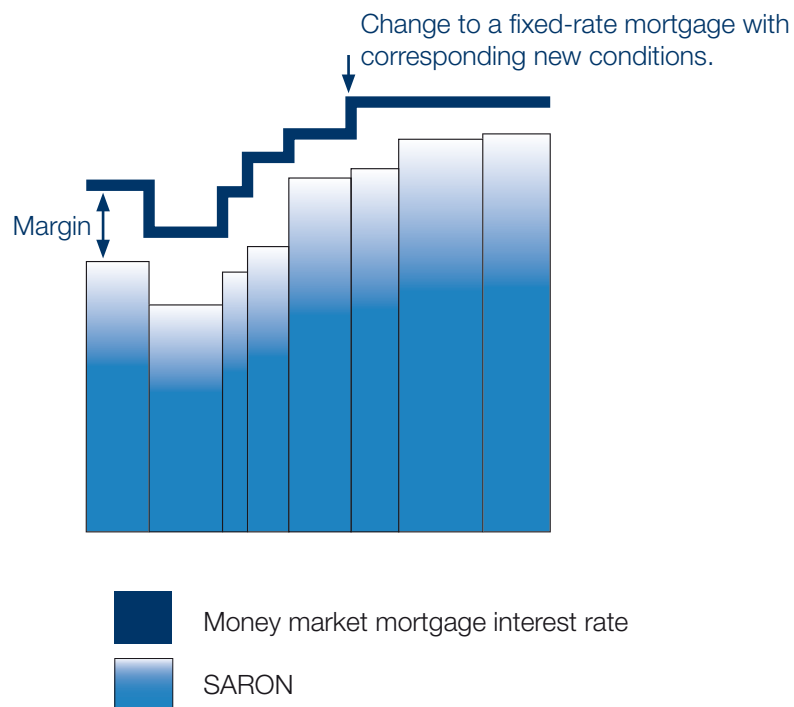
MONEY MARKET MORTGAGE

BENEFIT FROM VARIABLE MARKETS OVER A FIXED DURATION

A money market mortgage is a loan secured on real estate with a duration of three years. The interest rate is derived from the money market and is adjusted every three months in line with the current SARON.

With a **MONEY MARKET MORTGAGE** you have the following benefits:

- Automatic adjustment of the interest rate to the money market
- Easy to change to a fixed-rate mortgage



MONEY MARKET MORTGAGE TERMS

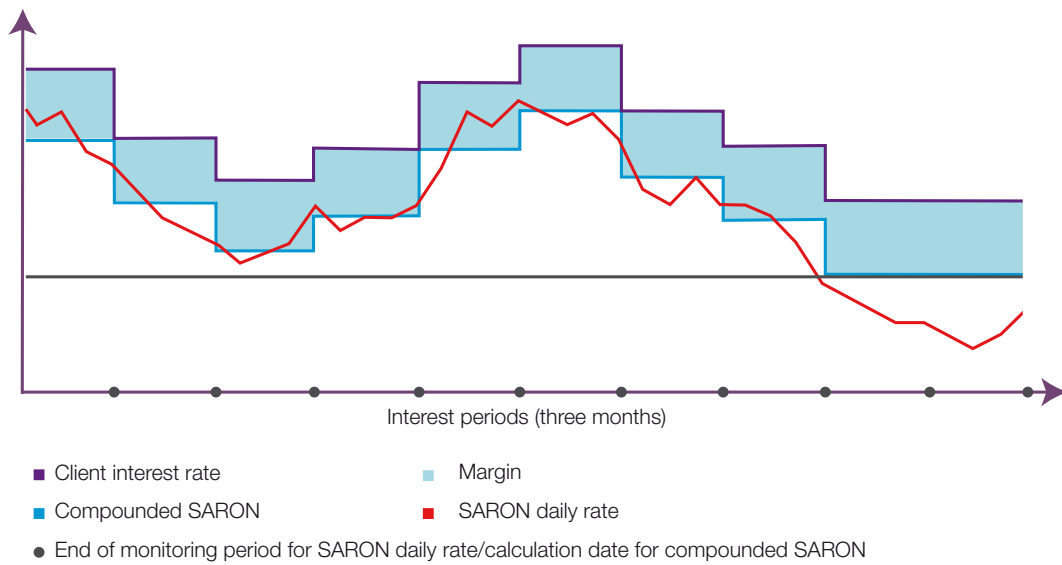
Minimum amount	CHF 100,000; up to a maximum of ½ the first mortgage
Duration	Three years
Interest rate	Adjusted in line with the money market every three months
Interest rate change risk	Yes
Amortisation	Both direct or indirect possible
Termination	One-off option to change it into a fixed mortgage. The contract can be terminated at the end of a quarter, subject to a 3-month period of notice and terms and conditions applicable at that time.
Suitability	For clients who can bear market interest rate fluctuations.

HOW THE INTEREST RATE IS CALCULATED

The interest rate is calculated for a period of three months as follows:

$$\begin{aligned} &\text{Base interest rate (compounded SARON)*} \\ &+ \text{agreed margin} \\ &= \text{total interest rate} \end{aligned}$$

The standard base interest rate is established at the end of each period using the average of the daily accumulated SARON rates, the compounded SARON. A floor of 0% applies in the event of a negative compounded SARON.



HOW THE AVERAGE IS CALCULATED

The compounded SARON is determined using a monitoring period with a five-day delay. This allows us to ensure that the interest settlement can be generated before the interest period expires.

Example:

